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Spying Suspect: A Study in Contrasts

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For a few years in the early 1980's, Ronald W. Pelton would go to a kitchen for homeless men in inner-city Washington two or three times a week to help serve breakfast. Friends said he was successful as a salesman, a witty person who was pleasant to be with, always ready to give help when needed.

By November 1985, he had left his family and acquired a lover and an expensive drug habit. He was changing jobs and residences frequently. Then he was arrested in Annapolis, Md., after admitting, according to the Federal Bureau of Investigation, that he had sold American intelligence secrets to the Soviet Union.

The F.B.I. believes that Mr. Pelton, after working as a computer analyst and manager at the National Security Agency from 1964 to 1979, sold the Russians sensitive secrets about the intelligence agency's ability to monitor and decode foreign communications.

Mr. Pelton, who is 44 years old, was arrested Nov. 25, and jury selection in his trial began this week in Baltimore. He has testified in pretrial proceedings that he was misled by interrogators into making incriminating statements.

To look back on his life now is to make a study of contrasts and a transition that people who say they were close to him cannot explain.

'Never Saw Him Step on Anybody'

Mr. Pelton had access to a wealth of highly sensitive military information in his 14 years at the National Security Agency, prosecutors say. After he declared bankruptcy and left the agency, according to the F.B.I., he was extensively questioned by the Soviet Union over a period of several years and was paid \$35,000.

In contrast, according to Ray E. MacAnanny, his close friend and his employer at a car dealership and then a yacht dealership, "I never saw him step on anybody to get anywhere."

Ronald William Pelton was born Nov. 18, 1941, in Benton Harbor, Mich., and attended school there, graduating from Benton Harbor High School with a B+ average in June 1960.

"He was a pretty decent student," said James Miller, who taught Mr. Pelton in a philosophy class. Students in the class "were the upper 3 percent of the seniors," Mr. Miller said.

"I was as surprised as anyone that Ron got fouled up in something like this," he went on. "He was quiet and never caused me any trouble at all."

He Joined Agency in 1965

Mr. Pelton joined the Air Force after high school, and earned two years of college credits, some in Russian language, at Indiana University. Early in his Air Force service Mr. Pelton married; he and his wife, Judith Ann, from whom he has been separated for about a year, have four children, ranging in age from 16 to 21. Mrs. Pelton, a nursing supervisor at a nursing home, would not discuss his case. She attended several of the early hearings.

The Peltons returned to Benton Harbor in 1964 and he worked as a television repairman before joining the National Security Agency the next year.

The Government has not said what his duties were at the agency, the nation's largest spying operation, which intercepts and decodes electronic messages and gathers intelligence. But papers filed by the prosecution said: "He impressed his co-workers with his intelligence, his grasp of technical detail and his memory. He was so capable that superiors well above him in the chain of command would consult him."

Whatever he knew, the F.B.I. believes the Soviet Union knows it now. Agents said Mr. Pelton told them that the Russians had questioned him on "practically every area of sensitive information to which he had access through his employment at N.S.A."

Decision 'Almost an Impulse'

A motivation is not clear. According to prosecutors, Mr. Pelton said following his arrest that in January 1980, nine months after declaring bankruptcy and six months after leaving the agency, "he decided to go to the Soviet Embassy almost as an impulse, and he had thought of it a week or two at the most."

But Mr. Pelton, according to friends, always seemed to be busy trying to get somewhere. In the years after he left the Government he tried a variety of business schemes that were intended to make him rich but never seemed to work out, from selling houseboats to loan brokering.

"He was always going to make a million dollars," said Ralph Marshall, a salesman at the yacht dealership, in Annapolis. "There was always something in the fire that was going to come through for him. We would kid him about it."

Mr. Pelton took the teasing good-naturedly, according to Mr. Marshall and others. But he also said, without bitterness, that he would prove them wrong.

"Ron always wanted to be rich — I felt that," said Mr. MacAnanny.

\$64,000 in Debt

Unknown to some of his closest friends, Mr. Pelton, an Air Force veteran with strong electronic aptitude and a nearly photographic memory, was near the financial brink. He and his wife declared bankruptcy in April 1979, having started work on a house but stopping before the roof was on, for lack of funds. At the time he listed his assets as four old cars and a motorcycle with a total value of \$1,300, \$6.80 in cash and \$8 in a credit union account, and \$136 in personal effects.

The couple listed debts of \$64,500, including mortgages on the house. Once valued at \$31,000, the house was assessed at \$10,000 after it had been left roofless for more than a year.

Mr. Pelton left the National Security Agency that July. Intelligence agencies try to stay alert to financial extremes in their personnel, to detect vulnerability to espionage, or profit from it. Bankruptcy can be grounds for termination, and Mr. Pelton later told his friend Mr. MacAnanny that he had thought his financial troubles would cost him his job.

He went to work as a salesman for Mr. MacAnanny, who also got him involved in the kitchen for the homeless. The two had met at the Church of God, on Georgia Avenue in Silver Spring, Md., attended regularly by the Peltons. They became part of a group that met weekly at the MacAnanny home for prayer and fellowship.

Pelton 'Quick to Give'

Mr. MacAnanny, a 20-year veteran of the Naval Security Group, an intelligence operation, took Mr. Pelton's employment at the National Security Agency as a strong credential. "They're the best people to hire, for their honesty and integrity," he said. When agency employees walk into his Lincoln-Mercury dealership, he said, he knows that "chances are we can finance the guy."

Mr. Pelton, according to Mr. MacAnanny, was always "quick to give." After a storm felled a tree at the MacAnannys' home, he said, he had delayed removing it, and woke up one Saturday morning to discover Mr. Pelton in the backyard cutting it up with a chain saw.

Mr. Pelton played the piano at church services and choir rehearsals, at weddings for friends and at the breakfast program. He gave \$1,000 to the breakfast program and talked of helping to establish a shelter for the homeless men, Mr. MacAnanny said.

But in the 18 months before his arrest, Mr. Pelton drifted away from the church group, Mr. MacAnanny said, and seemed troubled.

An Unsettled Time

Clearly, it was an unsettled time in his life. The picture drawn by friends and investigators is that of a man who has pulled back from his family and church.

While working for Mr. MacAnanny, he had started trying to broker loans on the side, and he left the boat dealership to seek a living at that full time. Federal investigators say he began a relationship with another woman, Ann Barry, in April 1984, and left his wife a year later.

Miss Barry told her landlord that she worked with Mr. Pelton in the loan business, but friends say they doubt that any loans were actually arranged.

Mr. Pelton told the F.B.I. that Miss Barry introduced him to marijuana and cocaine and heavy use of alcohol. Later he moved on to Dilaudid, a prescription painkiller, which he took intravenously two or three times a week. It was a \$200-a-week habit. It made him feel "mellow," he said.

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Miss Barry could not be found for comment. She left her Washington apartment at the beginning of this month without leaving a forwarding address or her keys, according to Ellen Weinbaum, the daughter of the building's owner.

In telephone conversations between Mr. Pelton and Miss Barry that were taped by the F.B.I., just before his arrest, he told her he was trying "to protect you, your future, you get, somehow, so you get some money no matter

what happens to me."

Mr. Pelton had gone back to work for Mr. MacAnanny in October, the month before his arrest. He was "more troubled, ill at ease, and it wasn't as easy for him to talk about the Lord," said Mr. MacAnanny, who visits Mr. Pelton

weekly, and says he is now "subdued and embarrassed, but not bitter."

Mr. MacAnanny said that if Mr. Pelton was guilty he would repent.

Mary Ervin, Mr. Pelton's stepsister, said his espionage arrest left her "about as dumbfounded as anyone who

knows him." She said that while he worked for the National Security Agency he would tell his family nothing of the job, saying that "those were the rules."

"If he's made a mistake," she said, "he'll have to pay for it."